

JAN 6 1939
 700, 106
 1-42
 SO & SMC

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

SOUTHERN DIVISION

COUNTY OFFICE PROCEDURE FOR THE DISPOSITION OF UNDELIVERED OR
LOST CHECKS AND THE SUBMISSION OF ADJUSTMENT APPLICATIONS
PERTAINING TO PAYMENTS UNDER THE 1937 COTTON PRICE ADJUSTMENT

PAYMENT PLAN

SECTION I - PROCEDURE TO BE FOLLOWED IN RETURNING CHECKS

A. TRANSMITTAL TO DISBURSING OFFICE

1. If, for one or more of the reasons enumerated herein, a check which has been issued in connection with any Application For Payment (hereinafter referred to as application) pursuant to the 1937 Cotton Price Adjustment Payment Plan and which has been forwarded to the County Office for delivery, cannot be delivered, the check should be returned to the Regional Disbursing Office (hereinafter referred to as Disbursing Office) from which issued.
2. Each such check which is returned to the Disbursing Office must be accompanied by a separate letter setting forth:
 - (a) the number of the check,
 - (b) the name of the payee,
 - (c) the amount for which the check was drawn,
 - (d) the date of the issuance of the check,
 - (e) the serial number of the application with respect to which the check was drawn,
 - (f) the administrative number of the Form CAP-108 on which the check is listed, and
 - (g) the reason or reasons for returning the check.

The Secretary of the County Agricultural Conservation Association (hereinafter referred to as association secretary) should forward to the State Office a copy of the letter which accompanies the check to the Disbursing Office. Any forms or statements which are required to be prepared in any of the instances hereinafter enumerated should accompany the copy of the letter of transmittal to the State Office or be transmitted as soon thereafter as possible.



B. PERIOD OF TIME CHECK MAY BE HELD PENDING DELIVERY

1. If any check remains undelivered for a period of twenty-one days after the receipt thereof in the County Office, it should be returned to the Disbursing Office as heretofore provided. (See Treasury Form 1721).

SECTION II - PROCEDURE TO BE FOLLOWED WHERE AMOUNT OF CHECK IS LESS THAN THAT DUE

A. DISPOSITION OF CHECK

1. A check issued for an amount less than that due may be received and cashed by the payee where the error was caused by:
 - (a) an incorrect application, or
 - (b) the computing or scheduling of the payment by the State Office.
2. The payee should be advised that the act of receiving and cashing the check under the circumstances recited in paragraph 1 above will not affect his right to file a claim for the balance due.
3. Whenever the amount of the payment as shown on Form CAP-108 and the amount of the check do not agree, the check must be returned to the Disbursing Office in accordance with the instructions contained in Section I hereof, notwithstanding the fact that the amount of the check is less than that due.

B. WHERE AMOUNT OF CHECK IS LESS THAN THAT DUE AS A RESULT OF ERROR IN APPLICATION

1. If the payee desires to file claim for the balance due in cases where the amount of the check is less than that due by reason of an error in the application, the claim must be presented to the State office and must be made on the basis of an adjustment application supported by any other forms or statements required by the State Office. The adjustment application must be executed in accordance with the requirements prescribed for the execution of an original application, with the exception that either the claimant(s) or the person who signed in Section I of the original application may sign the adjustment application. Complete acreage data and data for sales made prior to September 10, 1937, for every person, whether or not affected by the claim, must be shown on the application.

Note: The claims of two or more producers having an interest in an original application may be made on a single adjustment application.

2. The adjustment application must be accompanied by a statement, in duplicate, setting forth the nature of the error on the original application and how it occurred, as well as the administrative number of Form CAP-108 on which the original payment was vouchered, and requesting payment of the balance due. Such statement must be signed by the person who signs Section I of the adjustment application and must be approved by the association secretary and a member of the county committee. (The county committeeman who approves the adjustment application and the statement of explanation need not be the same committeeman who approved the original application.)
3. The serial number of the adjustment application must be the serial number appearing on the original application and must be followed by the word "Adjustment".

C. WHERE AMOUNT OF CHECK IS LESS THAN THAT DUE AS A RESULT OF ERROR IN STATE OFFICE

1. If the payee desires to file claim for the balance due in cases where the amount of the check is less than that due by reason of an error on the part of the State Office in scheduling or computing the payment, a request therefor, in the form of a statement over the signature and address of the claimant, and the signature of the association secretary or a member of the county committee, must be forwarded to the State Office. The serial number of the application under which the claim is filed, as well as the administrative number of the Form CAP-108 under which the original payment was vouchered, should be included in the request.

Note: Questions arising under this part C should develop, insofar as possible, only after an inquiry through the proper channels has indicated that the original payment was less than the amount due.

SECTION III - PROCEDURE TO BE FOLLOWED WHERE AMOUNT OF CHECK IS IN EXCESS OF THAT DUE

A. WHERE AMOUNT OF CHECK IS IN EXCESS OF THAT DUE AS A RESULT OF ERROR IN APPLICATION

1. The check should be returned to the Disbursing Office in accordance with the instructions contained in Section I hereof.
2. An adjustment application, setting forth the corrected basis for payment, should be prepared. The serial number of the adjustment application must be the serial number of the original application and must be followed by the word "Adjustment". The application need not be signed by the claimant(s) or by the person who signed Section I of the original application, but must be approved by the association secretary and by a member of the county committee. The member of the county committee who approves the adjustment application need not be the same member who approved the original application.
3. The adjustment application must be accompanied by a statement, in duplicate, signed by the association secretary and by the member of the county committee who signs the adjustment application, setting forth the nature of the error on the original application and how it occurred, as well as the administrative number of the Form CAP-108 on which the original payment was vouchered, and requesting payment of the balance due.
4. If for any reason a check has been drawn in favor of a producer who is not entitled to the proceeds thereof because of the fact that he has knowingly planted, or caused or permitted the planting of, cotton on any farm in 1938 in excess of the cotton acreage allotment for the farm in which he has an interest as a cotton producer, such check shall be returned to the Disbursing Office and the State Office notified of the reason for such return. No adjustment application will be prepared in a case of this nature.

B. WHERE AMOUNT OF CHECK IS IN EXCESS OF THAT DUE AS A RESULT OF ERROR IN THE STATE OFFICE

1. The check should be returned to the Disbursing Office in accordance with the instructions contained in Section I hereof.
2. The County Office should advise the State Office of the return of the check, and in addition should submit a statement, in duplicate, setting forth the circumstances of the case. The statement must be signed by the association secretary and by a member of the county committee, but need not be signed by the claimant(s) nor by the person who signed

Section I of the application under which payment was made. The county committeeman who signs the statement need not be the same committeeman who approved the application under which the payment was made.

C. WHERE AMOUNT OF CHECK IS IN EXCESS OF THAT DUE AS A RESULT OF ERROR IN ISSUANCE OF CHECK

1. Whenever the amount of the payment as shown on Form CAP-108 and the amount of the check do not agree, the check must be returned to the Disbursing Office in accordance with the instructions contained in Section I hereof.

SECTION IV - PROCEDURE TO BE FOLLOWED WHERE ADDRESS OF PAYEE IS UNKNOWN

A. ATTEMPT TO LOCATE PAYEE

1. Every effort should be made to locate the payee, by writing or making inquiry of his friends, neighbors, the postmaster, or others able to ascertain his new address, before the check is returned to the Disbursing Office within the prescribed twenty-one day period.
2. After the return of the check to the Disbursing Office, the County Office should continue its efforts to locate the payee.

B. REQUEST FOR CHECK

1. If the payee is located after the check has been returned to the Disbursing Office, he should submit a written request therefor to the County Office of the county in which the application originated. If possible, such request should set forth:
 - (a) the number of the check,
 - (b) the name of the payee,
 - (c) the amount for which the check was drawn,
 - (d) the date of the issuance of the check,
 - (e) the serial number of the application with respect to which the check was drawn,
 - (f) a representation that the claimant is the person entitled to the check, and
 - (g) the present mail address of the claimant.

2. The association secretary or a member of the county committee should certify that the person presenting the claim is entitled to the check and that his address is correctly stated. The request should then be forwarded to the State Office.

SECTION V. - PROCEDURE TO BE FOLLOWED WHERE NAME OF PAYEE IS WRITTEN INCORRECTLY OR ENTERED ON CHECK THROUGH ERROR.

A. ERROR IN APPLICATION

1. The check should be returned to the Disbursing Office in accordance with the instructions contained in Section I hereof.
2. An adjustment application should be prepared and signed by the applicant affected or by the person who signed Section I of the original application. The county committeeman approving the adjustment application need not be the same committeeman who approved the original application. The serial number of the adjustment application must be the serial number of the original application and must be followed by the word "Adjustment".
3. The adjustment application must be accompanied by a statement from the person who signs the adjustment application, (and whenever possible, the payee whose name was erroneously entered on the check, if such person exists) and approved by the member of the county committee who has approved the adjustment application; and by the association secretary, in the form of a statement, in duplicate, setting forth the error on the original application and how it occurred, stating that the applicant is entitled to the payment in question, and requesting cancellation of the original check and the issuance of a new one drawn payable to the order of the claimant.

B. ERROR IN STATE OFFICE

1. The check should be returned to the Disbursing Office in accordance with the instructions contained in Section I hereof.
2. There should be forwarded to the State Office a statement, in duplicate, signed by the payee of the check or the person who signed in Section I of the original application, and approved by the association secretary or a member of the county committee, setting forth the correct name of the payee and requesting cancellation of the original check and the issuance of a new one drawn payable to the order of the claimant.

SECTION VI - PROCEDURE TO BE FOLLOWED WHERE TWO OR MORE CHECKS
REPRESENTING THE SAME PAYMENT ARE RECEIVED

A. DISPOSITION OF CHECK

1. The check(s) most recently received should be returned to the Disbursing Office whenever two or more checks representing the same payment are received by the County Office. The letter of transmittal should set forth:
 - (a) the fact that two or more checks representing the same payment have been received, and
 - (b) the number of the check originally received representing such payment.

SECTION VII - PROCEDURE TO BE FOLLOWED WHERE PAYEE FOR ANY REASON RE-
FUSES TO ACCEPT CHECK

A. RETURN OF CHECK

1. The check should be returned to the Disbursing Office in accordance with the instructions contained in Section I hereof.
2. There should be forwarded to the State Office a statement, in duplicate, signed by the association secretary, and, if possible, by the payee of the check, setting forth the reason or reasons given for refusal to accept the check.

B. REQUEST FOR CHECK

1. If the payee decides to make claim for the check after it has been returned to the Disbursing Office, he should submit a written request therefor to the County Office of the county in which the application originated. Such request should set forth:
 - (a) the number of the check,
 - (b) the name of the payee,
 - (c) the amount for which the check was drawn,
 - (d) the date of the issuance of the check,
 - (e) the serial number of the application with respect to which the check was drawn,
 - (f) a representation that the claimant is the person entitled to the check, and

(g) the present mail address of the claimant.

2. The association secretary or a member of the county committee, should certify that the person presenting the claim is entitled to the check and that his address is correctly stated. The request should then be forwarded to the State Office.

SECTION VIII - PROCEDURE TO BE FOLLOWED IN CASE OF LOSS, THEFT, OR DESTRUCTION OF A CHECK

A. NOTICE TO DISBURSING OFFICE

1. Whenever any check is lost, stolen, or destroyed, the payee should immediately notify the Disbursing Office over his signature and address, requesting that payment of the check be stopped and giving, if possible, the following information:
 - (a) the number of the check,
 - (b) the amount for which the check was drawn, and
 - (c) the date of issuance of the check.

B. RECOVERY OF ORIGINAL CHECK

1. If the original check is recovered, the payee should request the Disbursing Office to remove "stop payment" thereon. Such check should not be negotiated until one week after such notice is mailed to the Disbursing Office. If a duplicate check is issued prior to the recovery of the original check, the original check should be returned to the Disbursing Office.

Note: This matter is within the exclusive jurisdiction of the Treasury Department and every case thereunder must, without exception, be referred by the County Office directly to the Disbursing Office.

SECTION IX - PROCEDURE TO BE FOLLOWED WHERE CHECK HAS BEEN DELIVERED CONTRARY TO THIS PROCEDURE

A. PRIOR TO NEGOTIATION OF CHECK

1. If, in any of the cases covered by Sections III, V, and VI hereof, a check has been delivered but has not been negotiated:

- (a) the person in possession of the check should be instructed to return it to the County Office for return to the Disbursing Office, and
- (b) notice of the fact that the holder of the check has been instructed to return it and the reason therefor should be forwarded to the State Office.

2. The information required in connection with the cases covered by Sections III, V, and VI should accompany notice to the State Office regarding the fact that the holder of the check has been instructed to return it.
3. If the person in possession of a check delivered contrary to the instructions contained in Sections III, V, or VI hereof, fails or refuses to return the check, such person should be requested to:
 - (a) refund the exact amount of the check in cases under Sections V and VI, and
 - (b) refund the amount of the excess payment in cases under Section III.
4. If such person fails or refuses to comply promptly with the request for refund, the procedure outlined in paragraph C of this Section IX is applicable.

B. SUBSEQUENT TO NEGOTIATION OF CHECK

1. If, after the happening of any of the contingencies covered by Sections III, V, and VI hereof, the check has been delivered and negotiated, the person receiving it should be requested to:
 - (a) refund the exact amount of the check in cases under Sections V and VI, and
 - (b) refund the amount of the excess payment in cases under Section III.
2. Refund should be in the form of a post office money order, certified check, bank draft, or cashier's check, made payable to the Treasurer of the United States, and should be forwarded to the State Office accompanied by a statement, in duplicate, setting forth:
 - (a) the name of the person making the refund,

- (b) the serial number of the application with respect to which the refund is made;
- (c) the administrative number of the Form CAP-108 on which the original payment was vouchered, and
- (d) any information heretofore described in the cases covered by Sections III, V, and VI hereof.

3. If the person to whom a check has been delivered contrary to the instructions contained in Sections III, V, or VI hereof, fails or refuses to refund promptly the amount requested pursuant to sub-paragraph 1 of this paragraph B, his name will be placed on the register of indebtedness and no further payment issued to him until the amount of the refund due has been collected, by offset or otherwise.

C. ERRONEOUS DELIVERY OF TREASURY CHECK TO PERSON OTHER THAN
RIGHTFUL PAYEE

- 1. If a Treasury check is erroneously delivered to and negotiated by a person other than the rightful payee, the association secretary should immediately request the Disbursing Office to stop payment thereon. Such request should set forth:
 - (a) the number of the check,
 - (b) the name of the payee,
 - (c) the amount for which the check was drawn, and
 - (d) the date of issuance of the check.
- 2. If payment on the check is stopped, the check should be delivered to the rightful payee as soon as it has been returned through the endorsers and redeemed by the person who erroneously negotiated it. The Disbursing Office should then be advised to remove "stop payment" on the check.
- 3. If the request for "stop payment" is not received by the Treasury Department prior to the time of acceptance of the check for payment, or if for any other reason the erroneously delivered check is paid by the Treasury Department, the rightful payee of the check may file claim for the amount thereof by submission to the State Office of a complete statement of the circumstances of the case. The statement must contain the data required under Section VII, Paragraph B, sub-paragraph 1 hereof, except that the claimant shall state that he has never received the original check nor the proceeds thereof.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

SOUTHERN DIVISION

COUNTY OFFICE PROCEDURE FOR THE DISPOSITION OF UNDELIVERED OR LOST
CHECKS AND THE PRESENTATION OF ADJUSTMENT APPLICATIONS PERTAINING
TO PAYMENTS UNDER THE 1937 COTTON PRICE ADJUSTMENT PAYMENT PLAN

SRC-106 is amended by the addition of the following new section:

SECTION X - PROCEDURE TO BE FOLLOWED IN CASES WHEREIN THE PAYEE IS
DECEASED OR HAS BEEN ADJUDGED INCOMPETENT

A. Disposition of Check

1. Any check drawn payable to the order of a deceased or incompetent payee shall be returned to the Disbursing Office in accordance with the instructions contained in Section I of this SRC-106.

B. Claim for Proceeds of Check Drawn Payable to Deceased or Incompetent Payee.

1. Any claim for the proceeds of a check drawn to the order of a deceased or incompetent payee shall be made on Form CAP-111, "Application for Payment of Amounts Due Deceased or Incompetent Cotton Producers under the 1937 Cotton Price Adjustment Payment Plan".^{1/} Form CAP-111 shall be executed in the following manner:

(a) General.

- (1) Any person who is entitled under the regulations (CAP-105, Amendment No. 2) to share in the proceeds of the check drawn payable to a deceased or incompetent payee shall be allowed to file a claim. When practicable, all claimants should make claim on the same Form CAP-111.

- (2) Form CAP-111 shall be executed in triplicate. The original and one copy shall be forwarded to the State office and the other copy retained in the county office.

^{1/} If prior to the receipt of Forms CAP-111 in the county office, Standard Form No. 1055 has been executed by the claimant(s), such claim will be acceptable if supplemented by a statement from the applicant(s), embodying the certifications set forth in paragraphs 3 and 4, Part I, of Form CAP-111, and, where applicable, a certificate from the county committee similar to the one set forth below paragraph 5, Part I of Form CAP-111.

- (3) All entries on Form CAP-111 (other than signatures) must be typed or printed. If printed, an indelible pencil must be used in order that all copies of the form will be legible.
- (4) Signatures on Form CAP-111 must be in ink or indelible pencil, and must be affixed in accordance with the instructions set out in ACP-16, "Instructions on Signatures and Authorizations".
- (5) Before executing Form CAP-111, the claimants and the county committee should read carefully the instructions printed on the back of the form.
- (6) It is not necessary that signatures of claimants on Form CAP-111 be notarized.
- (7) Payment shall be made without regard to claims of creditors other than the United States. It is not required that a receipted undertaker's bill be submitted with Form CAP-111.

(b) Heading.

- (1) The State and county code and the serial numbers of all Forms CAP-103, Revised, with respect to which the claim is made shall be entered in the upper right corner of Form CAP-111.

(c) Part I.

- (1) Part I will be filled out only in case claim is being made by a legally appointed executor, administrator, guardian or committee for the proceeds of a check drawn payable to a deceased or incompetent payee. Where Part I is executed, Part II is not applicable.
- (2) All designated spaces must be properly filled in. Under paragraph 2, "check No(s)." refers to the serial numbers appearing in the upper right corner of the check, "in the amount of \$" refers to the total of all checks covered by the claim, and "symbol No." refers to the number appearing in the lower right corner of the check (this number will be the same for all of the checks).
- (3) The signature of the applicant must clearly show the capacity in which he is acting and his address must be entered in the space provided.
- (4) If the county committee determines that the applicant has the necessary authority to act in the

capacity indicated 2/, they shall authorize one of their members to affix his signature in the space provided in the "Certificate of County Committee". The committeeman who signs shall also enter the date of his signature.

(d) Part II.

- (1) Part II will be executed only in case there is no legally appointed executor or administrator, if the payee is deceased, or guardian or committee, if the payee is incompetent.
- (2) Claim for payment may be made by any person who, under the provisions of Amendment 2 to CAP-105, is entitled to a share of the payment, or by the duly appointed trustee for all such persons. 3/
- (3) Enter in the spaces provided below the heading of Part II the name and address of each person who is applying for a share of the payment. (If application is made by a trustee, his name only should be entered.4/) If more than three persons make application jointly, additional Forms CAP-111, marked "Continuation Sheet", must be attached, with the names of other applicants listed in the spaces provided below the heading of Part II and their signatures affixed in paragraph 7. In such cases paragraphs 1, 2, and 3 will be executed on the first sheet only.
- (4) All designated spaces in paragraph 1 must be properly filled in.
- (5) Under paragraph 2, "check No(s)." refers to the serial number appearing in the upper right corner

- 2/ In the event the members of the county committee do not have personal knowledge of the applicant's authority, they should require such person to present evidence thereof in accordance with ACP-16. No written evidence need be attached to the Form CAP-111 when it is submitted to the State office.
- 3/ Form AAA-378, "Trust Agreement", may be used in the appointment of a trustee in this connection, provided the form is amended by inserting the following words after the word "deceased" in the second line of the first paragraph: "who are entitled to share in the payment with respect to which this document is executed".
- 4/ The name of a trustee should be entered in the following style, "John Doe, Trustee for the Heirs of William Doe, Deceased". In such cases, paragraph 3 of Part II should be filled in in accordance with paragraph (6) of this subsection (d).

of the check, "in the amount of \$" refers to the total of the checks covered by the claim, and "symbol No." refers to the number appearing in the lower right corner of the check (this number will be the same for all of the checks).

(6) Enter in the spaces provided in the upper part of paragraph 3 the names, addresses, and relationship to the decedent or incompetent of all persons who are entitled to share in the proceeds of the checks listed in paragraph 2, regardless of whether or not all such persons are applying for payment.

(7) Enter in the space provided in the lower part of paragraph 3:

- (i) the name of any person listed in the upper part thereof who is a minor or incompetent.
- (ii) the cause of such person's legal disability (e.g., "minor", "incompetent", etc.), and
- (iii) the name and address of such person's guardian (if natural guardian, so state), committee, or conservator (if any).

(8) Paragraph 7 shall be filled in as follows:

- (i) Where claim is made by a natural guardian on behalf of a minor, such guardian must make a statement to the following effect: "I, Edward Doe, natural guardian of George Doe, Minor, certify that I will use for the benefit of said minor the proceeds of the payment for which I am here applying on his behalf".
- (ii) Where claim is made by an emancipated minor (that is, one who has had his legal disability removed), such minor must make a statement to the following effect: "I, Edward Doe, certify that on December 20, 1938, my legal disability as a minor was removed."

(iii) Where claim is being made for the proceeds of a check due an incompetent, or is being made on behalf of an incompetent who is an heir of a deceased payee, the person making the claim must make a statement to the following effect: "I, Edward Doe, having the care and custody of George Doe, an incompetent, certify that I will use for his benefit the proceeds of the payment for which I am here applying on his behalf."

(9) The signature of each applicant must be affixed and the place and date entered in the spaces provided in paragraph 7. ^{5/} Each signature must be witnessed by one disinterested person.

(10) Paragraph 8 must be completely executed by a disinterested person who meets the qualifications set forth therein. The signature of this person must be properly witnessed by another disinterested person. (Where more than one sheet is used in submitting the claim, paragraph 8 need be executed only on the last sheet.)

C. Notice of Disallowance.

1. In any case where a claim is disallowed, the claimant(s) will be advised of such disallowance as well as the reason therefor by the State office. A copy of such notice will also be forwarded to the county office.

5/ If any person is applying for payment in Part II in a representative or fiduciary capacity (that is, as legal guardian, committee, or conservator, or as trustee for the heirs or agent for one or more of them) the county committee must determine that he has the necessary authority to act in the capacity indicated. Where they do so determine, they should authorize one of their members to execute the "Certificate of County Committee" in Part I of Form CAP-111, after amending the same by deleting the word "above" and inserting the word "below" and, in cases where paragraph 7 is executed by an agent, deleting the words "the payment claimed" and inserting the words "submit this claim".

